

Americans are still in what the Secretary of Labor has called the anxious class, people who are working harder for the same or lower wages.

From the end of World War II until the late 1970's, the incomes of all Americans rose steadily together. When the wealthiest Americans did better, so did the poorest working Americans in roughly the same proportion. But since 1979, the income of the top 20 percent of our people has grown significantly, while the income of the last 80 percent grew barely at all or not at all or actually dropped. Much of the problem in the widening income gap among working Americans depends upon whether they have skills or not to compete in the global economy.

A male college graduate today earns 80 percent more than a person with only a high school degree. That's why we've pursued the far-reaching education agenda that the Members here on this platform have been so actively involved with, making it easier and more affordable to get college loans. That's why I proposed the middle class bill of rights to help parents with their children's education and with their own and to improve the way we provide help to workers who are trying to get retraining skills.

But another no-less-important part of this problem is the declining value of full-time wages for many, many jobs. I believe if we really honor work, anyone who takes responsibility to work full time should be able to support a family and live in dignity. That is the essence of what I meant in the State of the Union Address and what I have talked about for 3 years now with the New Covenant. Our job is to create enough opportunity for people to earn a living if they'll exercise the responsibility to work.

That's why we fought so hard to expand the earned-income tax credit, a working family tax

cut for 15 million families in 1993; precisely why we're calling on Congress today to raise the minimum wage 90 cents to \$5.15 per hour. The only way to grow the middle class and shrink the under class is to make work pay. And in terms of real buying power, the minimum wage will be at a 40-year low next year if we do not raise it above \$4.25 an hour.

If we're serious—let me say this, too, emphatically—if we are serious about welfare reform, then we have a clear obligation to make work attractive and to reward people who are willing to work hard. I hope more than anything that we will have a genuine bipartisan, well-founded welfare reform legislation this year that will encourage work and responsible parenting and independence. But we cannot hope to have it succeed unless the people we are asking to work can be rewarded for their labors.

Let me close with one observation about recent history. In 1990, Congress raised the minimum wage according to the exact same schedule I proposed today, 45 cents a year for 2 years. That increase was passed by overwhelming majorities in both Houses with, let me emphasize, majority support from both parties. This has always been a bipartisan issue.

If in 1990, because the minimum wage had not been raised in such a long time, a Republican President and a Democratic Congress could raise the minimum wage, surely, in 1995, facing the prospect that work, full-time work could be at a 40-year low in buying power unless we act, a Congress with a Republican majority and a Democratic President can do the same for the American people.

Thank you very much. And thank you all.

NOTE: The President spoke at 9:35 a.m. in the Rose Garden at the White House.

Message to the Congress Reporting on the National Emergency With Respect to Haiti *February 3, 1995*

To the Congress of the United States:

1. In December 1990, the Haitian people elected Jean-Bertrand Aristide as their President by an overwhelming margin in a free and fair election. The United States praised Haiti's suc-

cess in peacefully implementing its democratic constitutional system and provided significant political and economic support to the new government. The Haitian military abruptly interrupted the consolidation of Haiti's new democ-

racy when, in September 1991, it illegally and violently ousted President Aristide from office and drove him into exile.

2. The United States, on its own and with the Organization of American States (OAS), immediately imposed sanctions against the illegal regime. Upon the recommendation of the legitimate government of President Aristide and of the OAS, the United Nations Security Council imposed incrementally a universal embargo on Haiti, beginning June 16, 1993, with trade restrictions on certain strategic commodities. The United States actively supported the efforts of the OAS and the United Nations to restore democracy to Haiti and to bring about President Aristide's return by facilitating negotiations between the Haitian parties. The United States and the international community also offered material assistance within the context of an eventual negotiated settlement of the Haitian crisis to support the return to democracy, build constitutional structures, and foster economic well-being.

The continued defiance of the will of the international community by the illegal regime led to an intensification of bilateral and multilateral economic sanctions against Haiti in May 1994. The U.N. Security Council on May 6 adopted Resolution 917, imposing comprehensive trade sanctions and other measures on Haiti. This was followed by a succession of unilateral U.S. sanctions designed to isolate the illegal regime. To augment embargo enforcement, the United States and other countries entered into a cooperative endeavor with the Dominican Republic to monitor that country's enforcement of sanctions along its land border and in its coastal waters.

Defying coordinated international efforts, the illegal military regime in Haiti remained intransigent for some time. Internal repression continued to worsen, exemplified by the expulsion in July 1994 of the U.N./O.A.S.-sponsored International Civilian Mission (ICM) human rights observers. Responding to the threat to peace and security in the region, the U.N. Security Council passed Resolution 940 on July 31, 1994, authorizing the formation of a multinational force to use all necessary means to facilitate the departure from Haiti of the military leadership and the return of legitimate authorities including President Aristide.

In the succeeding weeks, the international community under U.S. leadership assembled a

multinational coalition force to carry out this mandate. At my request, former President Carter, Chairman of the Senate Armed Services Committee Sam Nunn, and former Chairman of the Joint Chiefs of Staff Colin Powell went to Haiti on September 16 to meet with the *de facto* Haitian leadership. The threat of imminent military intervention combined with determined diplomacy achieved agreement in Port-au-Prince on September 18 for the *de facto* leaders to relinquish power by October 15. United States forces in the vanguard of the multinational coalition force drawn from 26 countries began a peaceful deployment in Haiti on September 19 and the military leaders have since relinquished power.

In a spirit of reconciliation and reconstruction, on September 25 President Aristide called for the immediate easing of sanctions so that the work of rebuilding could begin. In response to this request, on September 26 in an address before the United Nations General Assembly, I announced my intention to suspend all unilateral sanctions against Haiti except those that affected the military leaders and their immediate supporters and families. On September 29, the U.N. Security Council adopted Resolution 944 terminating U.N.-imposed sanctions as of the day after President Aristide returned to Haiti.

On October 15, President Aristide returned to Haiti to assume his official responsibilities. Effective October 16, 1994, by Executive Order No. 12932 (59 *Fed. Reg.* 52403, October 14, 1994), I terminated the national emergency declared on October 4, 1991, in Executive Order No. 12775, along with all sanctions with respect to Haiti imposed in that Executive order, subsequent Executive orders, and the Department of the Treasury regulations to deal with that emergency. This termination does not affect compliance and enforcement actions involving prior transactions or violations of the sanctions.

3. This report is submitted to the Congress pursuant to 50 U.S.C. 1641(c) and 1703(c). It is not a report on all U.S. activities with respect to Haiti, but discusses only those Administration actions and expenses since my last report (October 13, 1994) that are directly related to the national emergency with respect to Haiti declared in Executive Order No. 12775, as implemented pursuant to that order and Executive Orders Nos. 12779, 12853, 12872, 12914, 12917, 12920, and 12922.

4. The Department of the Treasury's Office of Foreign Assets Control (FAC) amended the Haitian Transactions Regulations, 31 C.F.R. Part 580 (the "HTR") on December 27, 1994 (59 *Fed. Reg.* 66476, December 27, 1994), to add section 580.524, indicating the termination of sanctions pursuant to Executive Order No. 12932, effective October 16, 1994. The effect of this amendment is to authorize all transactions previously prohibited by subpart B of the HTR or by the previously stated Executive orders. Reports due under general or specific license must still be filed with FAC covering activities up until the effective date of this termination. Enforcement actions with respect to past violations of the sanctions are not affected by the termination of sanctions. A copy of the FAC amendment is attached.

5. The total expenses incurred by the Federal Government during the period of the national emergency with respect to Haiti from October 4, 1991, through October 15, 1994, that are directly attributable to the authorities conferred

by the declaration of a national emergency with respect to Haiti are estimated to be approximately \$6.2 million, most of which represent wage and salary costs for Federal personnel. This estimate has been revised downward substantially from the sum of estimates previously reported in order to eliminate certain previously reported costs incurred with respect to Haiti, but not directly attributable to the exercise of powers and authorities conferred by the declaration of the terminated national emergency with respect to Haiti.

Thus, with the termination of sanctions, this is the last periodic report that will be submitted pursuant to 50 U.S.C. 1703(c) and also constitutes the last semiannual report and final report on Administration expenditures required pursuant to 50 U.S.C. 1641(c).

WILLIAM J. CLINTON

The White House,
February 3, 1995.

Message to the Congress on Trade With Armenia, the Bahamas, and Israel *February 3, 1995*

To the Congress of the United States:

The Generalized System of Preferences (GSP) program offers duty-free treatment to specified products that are imported from designated beneficiary countries. It is authorized by the Trade Act of 1974, as amended.

I am writing to inform you of my intent to add Armenia to the list of beneficiary developing countries for purposes of the GSP program. I have carefully considered the criteria identified in sections 501 and 502 of the Trade Act of 1974. In light of these criteria, I have determined that it is appropriate to extend GSP benefits to Armenia.

I am also writing to inform you of my decision to terminate the designation of The Bahamas and the designation of Israel as beneficiary developing countries for purposes of the GSP pro-

gram. Pursuant to section 504(f) of the Trade Act of 1974, I have determined that the per capita gross national products of The Bahamas and of Israel have exceeded the applicable limit provided for in section 504(f). Accordingly, I have determined that it is appropriate to terminate the designation of The Bahamas and Israel as GSP beneficiaries.

This notice is submitted in accordance with sections 502(a)(1) and 502(a)(2) of the Trade Act of 1974.

WILLIAM J. CLINTON

The White House,
February 3, 1995.

NOTE: The related proclamation is listed in Appendix D at the end of this volume.